

## Exhibit 300: Capital Asset Summary

### Part I: Summary Information And Justification (All Capital Assets)

#### Section A: Overview & Summary Information

**Date Investment First Submitted:** 2009-06-30  
**Date of Last Change to Activities:** 2011-10-27  
**Investment Auto Submission Date:** 2012-02-15  
**Date of Last Investment Detail Update:** 2012-02-15  
**Date of Last Exhibit 300A Update:** 2012-02-15  
**Date of Last Revision:** 2012-02-15

**Agency:** 012 - Department of Labor      **Bureau:** 12 - Pension Benefit Guaranty Corporation

**Investment Part Code:** 01

**Investment Category:** 00 - Agency Investments

**1. Name of this Investment:** PBGC - Premium Accounting (PA)

**2. Unique Investment Identifier (Ull):** 012-000005000

#### Section B: Investment Detail

- 1. Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

Premium Accounting (PA) provides operational support for PBGC's premium program functions and the necessary financial reporting, accounting and internal controls. Premium Accounting (PA) consists of two primary applications: My Plan Administration Account (My PAA) and the Premium Accounting System (PAS). My PAA is the web-based, customer-facing application used to submit annual plan premium filings and payments. It is the front end to PAS which processes the filings and payments, posts them to plan accounts and reports the premium data. About 27,500 insured defined benefit pension plans submitted payments totaling over \$2.0 billion in FY 2010 pursuant to the Employee Retirement Income Security Act (ERISA). PAS maintains demographic information for each plan, generates premium billings for late and underpaid premiums, manages plan correspondence and follow-up actions, reports results for financial statement purposes, and provides a historic database of key financial data for each defined benefit plan used by the Department of Insurance Supervision and Compliance (DISC), the Policy, Research, and Analysis Department (PRAD) and other stakeholders for planning and risk management purposes. PBGC has identified a need to improve both applications. For My PAA, high priority items include system performance, usability enhancements, data storage maintenance of all submitted premium e-filings, and improve data accuracy of filings. For PAS, there is a need to modernize its operations by replacing the legacy PAS in order to: address long-standing

issues with systems integration and compliance with OMB Circular A-127; support government-wide initiatives (including Improved Financial Performance and Expanded Electronic Government); decrease high support costs; provide more accurate and timely financial data by modernizing validations, corrections, adjustments and refunds; and bolster internal controls to safeguard PBGC assets. We plan to address these issues starting in FY 2012 with the implementation of the new Premium Practitioner System (PPS) which is based on the Oracle Federal Financials COTS package. This investment is dependent on the IT Infrastructure Investment and the CFS Investment.

**2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.**

PBGC's independent auditors reported a significant deficiency in their annual financial statements audit that asserts that PBGC needs to integrate its financial management systems in accordance with OMB Circular A-127. The auditors define a significant deficiency as a control deficiency that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably. Additionally, a recent audit defined deficiencies in PBGC's corporation-wide system security plan that was lacking in the following areas: security management, access controls, configuration management, and segregation of duties, together they create a material weakness in PBGC's internal controls. The Premium Operation's Financial Management Segment Architecture (FMSA) Blueprint further expands upon this finding and notes the following additional performance gaps for PAS: Too many manual processes; system is inflexible and lacks functionality; many manual reports, ineffective reports; lack of system integration; Manual preparation of premiums journal entries supporting quarterly and annual financial statements; inability to run what-if scenarios; lack of transparency: status of actions, correspondence, calculations of premiums and penalties; lack of knowledge management and training. In addition, the primary performance gaps for My PAA include: system performance and usability (e.g., the amount of time it takes to navigate between screens), the handling/storage of ever increasing premium filing historic information, and continuing to improve the accuracy and compliance of premium filings. The Premium Operations Segment facilitates the processing of over \$2.0 billion in insurance premiums in accordance with ERISA. The PBGC depends on Premium Operations to meet performance measures for customer service as identified in the agency's strategic plan and to support initiatives including Financial Performance and Expanded e-Government. Due to its strategic importance, Premium Accounting is vital to PBGC's ability to provide quality service to its customers and stakeholders—and to meet its strategic goals and mission. Without the Premium Accounting system, PBGC could not efficiently and effectively manage its insurance program and serve its stakeholder and customers. PBGC does not receive appropriations from the general funds and its operating budget is based solely on premium revenue and investment capital from trusted pension plan assets.

**3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.**

Premium Accounting FY 2011 enhancements include: MyPAA: • Release 11 o Customer Module enhancements to improve usability/accuracy o Performance and Security enhancements PAS: o Implemented business process changes (Alternative Premium

Funding Target Election-APFTE) to improve relationship with pension practitioners o  
 Enhanced the MyPAA-PAS interface to support additional customer filing validations o  
 Implemented business process change (penalty waiver period) to improve customer  
 relationship PPS: o Conducted a technical review of the PPS solution to help PBGC  
 evaluate the current state of the PPS before moving forward with the PPS implementation.  
 PPS was the selected alternative in the PA alternative analysis performed in FY2009.

**4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).**

PPS: We plan to implement the Premium Practitioner System (PPS) beginning with FY2012.  
 The PPS will replace the PAS' old technology, provide a flexible client server architecture  
 that supports evolving premium accounting business requirements, eliminate manual  
 processes, incorporate current Pension Protection Act of 2006 (PPA) rules and be integrated  
 with the core accounting system CFS. MyPAA: · Implement enhancements to 2012  
 premium filings · Improve accuracy and timeliness of filings · Increase system  
 performance and security PAS: · Provide urgent business process changes, legislative  
 changes, and system enhancements · Provide Operations and Maintenance support ·  
 Continue the PAS data cleansing tasks for PPS migration · Implement required  
 information security enhancements · Decommission the Premium Accounting System.

**5. Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.**

2009-01-02

## Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$0.1	\$0.0	\$0.0	\$0.1
DME (Excluding Planning) Costs:	\$2.1	\$2.6	\$10.2	\$1.7
DME (Including Planning) Govt. FTEs:	\$0.0	\$0.0	\$0.0	\$0.0
Sub-Total DME (Including Govt. FTE):	\$2.2	\$2.6	\$10.2	\$1.8
O & M Costs:	\$3.5	\$3.2	\$3.9	\$2.6
O & M Govt. FTEs:	\$0.9	\$0.7	\$0.7	\$0.7
Sub-Total O & M Costs (Including Govt. FTE):	\$4.4	\$3.9	\$4.6	\$3.3
Total Cost (Including Govt. FTE):	\$6.6	\$6.5	\$14.8	\$5.1
Total Govt. FTE costs:	\$0.9	\$0.7	\$0.7	\$0.7
# of FTE rep by costs:	6	5	5	5
Total change from prior year final President's Budget (\$)		\$-0.1	\$0.0	
Total change from prior year final President's Budget (%)		-2.06%	0.00%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

## Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded		PBGC01DO099007	PBGC01D090003	1665							
Awarded		PBGC01DO090043	GS00T99ALD0211	4735							
Awarded		PBGC01DO090003	GS35F0468N	4730							
Awarded		PBGC01DO100136	GS06F0632Z	4730							
Awarded		IA0111000024									

**2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:**

Contract PBGC01-DO-10-9032 – Security – the contract is a fixed price competitive award that does not lend itself to tracking EVM given the nature of the work where PBGC will be acquiring full time security expertise that will be on-site. Moreover, the deliverables will be part of the fixed price contract. Progress, cost, schedule, and performance on this contract will be assessed with progress reports, invoice tracking, and comparison against project schedules and proposal milestones as documented in MS Project Plan and Excel budgeting spreadsheets. Contract DO-09-0003 is for continued O&M support for the Premium Accounting System (PAS) systems and its transition to the Premium Practitioner System (PPS)

## Exhibit 300B: Performance Measurement Report

### Section A: General Information

**Date of Last Change to Activities:** 2011-10-27

### Section B: Project Execution Data

**Table II.B.1 Projects**

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
PAS	Premium Accounting Processing	The Premium Accounting System (PAS), PBGC's revenue system, records defined benefit plan premium receipts, generates late notices and premium billings, and calculates applicable penalties and interest for late payments.			
MyPAA	E-Filing	Enhances security, performance, and usability features, while improving the accuracy of premium filings with enhanced interactive data validation features.			
PPS	Premium Accounting Processing PPS	Replaces current legacy premium calculation and accounting system to support premium operations, to integrate with CFS, to enable active customer communication, and to leverage use and exposure to enterprise-wide services.			

### Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

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Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M )	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
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PAS	Premium Accounting Processing							
MyPAA	E-Filing							
PPS	Premium Accounting Processing PPS							

## Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days )	Schedule Variance (%)
PAS	PAS Data Cleansing (18.6)	In preparation for streamline future data conversion for the Premium Practitioner System, this effort aims to improve the data quality within PAS related to plan identiy, data and accounting accuracy, and data errors prevention.	2011-10-31	2011-10-31		140	-305	-217.86%



## Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
% of Premium Filings Electronically Submitted	% of filings	Mission and Business Results - Support Delivery of Services	Over target	1.000000	97.000000	99.000000	98.000000	Monthly
Premium Filer Customer Satisfaction (ACSI) Rating	ACSI score	Customer Results - Customer Benefit	Over target	68.000000	72.000000	75.000000	72.000000	Semi-Annual
% of premium refunds, waivers and reconsiderations processed within 30 days	% of requests	Process and Activities - Cycle Time and Timeliness	Under target	71.000000	80.000000	63.000000	80.000000	Monthly
MyPAA Customer Satisfaction (ACSI) Rating	ACSI score	Technology - Effectiveness	Over target	76.000000	77.000000	79.000000	77.000000	Monthly
% of practitioner calls resolved within 5 calendar days	% of calls	Process and Activities - Cycle Time and Timeliness	Over target	79.000000	79.000000	80.000000	79.000000	Monthly